

Maintenance of Effort (MOE) under the IDEA



Michigan Department of Education
Office of Special Education and
Early Intervention Services

Why is it a problem now?



- ◆ Increasing funds under the IDEA (Part B)
- ◆ State reimbursement has been stable
- ◆ Receiving more federal funding than can be spent without violating MOE
- ◆ Temptation to carry over the federal funds

Who is affected?




- ◆ Every ISD, LEA and PSA who directly expends IDEA funds (Part B)
- ◆ Any PSA or LEA that does not receive IDEA (Part B) funds **is not affected**




◆ How is Maintenance of Effort defined?

Determination of MOE

- 
- ◆ Calculate effort on a total cost basis
 - ◆ Calculate effort on a per capita basis (head count or FTE)
 - ◆ If effort has not been maintained, review the acceptable exceptions to the MOE requirement




◆ What are the Exceptions?

- 
- ◆ If the exceptions do not apply, review treatment of funds under §300.233



◆ How is MOE Calculated?

MOE Worksheet



I. Data Needed	Current Year	Preceding Year
a. December 1 Head Count	<u>2,250</u>	<u>2,200</u>
b. September FTE Count for Special Education	<u>220</u>	<u>210</u>
c. SE-4096 Section 52 + Section 53 Costs (Line 46 - (Lines 39 + 43))	<u>4,380,000</u>	<u>4,430,000</u>
d. IDEA Flowthrough Allocation	<u>1,700,000</u>	<u>1,400,000</u>

MOE Worksheet



II. If Line Ic for the current year is less than the preceding year

Current
Year

Preceding
Year

a. Head Count Per Capita
(Divide Line Ic by Line Ia)

1,947

2,014

b. FTE Count Per Capita
(Divide Line Ic by Line Ib)

19,909

21,095

MOE Worksheet

III. If Line IIa and IIb for the current year is less than the preceding year

Justification: See Federal Registry 300.232:

Exception Code	Detailed Explanation	Amount(s)
300.232 <u>(a)(1)</u>	1. <u>El teacher retired, replaced</u> <u>by lower-salaried staff</u>	<u>37,000</u>
	Total MOE Justification	<u> </u>
300.232 <u> </u>	2. <u> </u>	<u> </u>

MOE Worksheet

IV. If no exceptions apply...

Amount(s)

a. Take Line Id, current year minus preceding year

300,000

b. Multiply Line IVa x 20% (.2)


60,000


c. Add Line IVb to current year SE-4096 costs


4,440,000

d. Compare current year costs with preceding year costs

4,430,000


- 
- ◆ MDE will notify school districts who may have an MOE problem for 01-02 and provide technical assistance

- 
- ◆ All districts that expended IDEA (Part B) funds during 02-03 should calculate MOE

- 
- ◆ If you have further questions... please feel free to contact the Office of Special Education and Early Intervention Services

Path to Numbered Memo

OSE/EIS-03-06



- ◆ Go to:
- ◆ Michigan.gov/mde,
 - Choose “Administrators”
 - Choose “Special Education”
 - Choose “Communications”
 - Scroll down to “Memorandum 2003-06”